

**BEFORE THE PUBLIC SERVICE COMMISSION
FOR THE STATE OF SOUTH CAROLINA**

DOCKET NUMBER 2005-110-W/S-ORDER NO. 2005-210

In Re: Petition of the Office of Regulatory Staff to)
Request Forfeiture of the Piney Grove)
Utilities, Inc bond and to Request Authority)
to Petition the Circuit Court for)
Appointment of a Receiver)

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 ORDER
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MOTION FOR A CONTINUANCE

Piney Grove Utilities, Inc. (Piney Grove), pursuant to Rule 103-861, respectfully requests that the hearing in the above matter, presently set for August 9, 2005, be continued.

This motion is based upon the following:

1. The petition of the Office of Regulatory Staff (ORS) was filed on April 22, 2005. The ORS petition raised, in essence, three issues - (1) concern regarding the immediate delivery by Piney Grove of wastewater treatment services to its customers in the Lloydwood subdivision located in Lexington County (short term issue); (2) a request by the ORS staff for Commission permission to petition the Court of Common Pleas for the appointment of a receiver for Piney Grove for its Lloydwood and Franklin Park wastewater treatment facilities (long term issue) and forfeiture of a performance bond.
2. The same day the ORS petition was filed, an action was filed by the Department of Health and Environmental Control (DHEC) in the Court of Common Pleas for Lexington County (Lexington Circuit Court action), which raised similar if not

identical matters as the short term issue raised in the ORS petition concerning Lloydwood. A hearing in regard to the Circuit Court action was held on April 22, 2005, before the Honorable Marc H. Westbrook, who issued an order allowing DHEC to engage a licensed operator to operate the Lloydwood system in conjunction with the operator engaged by Piney Grove. The parties to the Lexington Circuit Court action proceeded to operate the Lloydwood facility in accordance with Judge Westbrook's order. On May 6, 2005, a second hearing was held to consider the status of the matters raised in the Lexington Circuit Court action. At that time, Piney Grove agreed, absent its entering into a contract with a licensed operator no later than Monday, May 9, 2005, to the appointment of a receiver for the Lloydwood system. Piney Grove was unable to enter into such an agreement and, therefore, Piney Grove is operating under a Circuit Court order in which it has agreed to the appointment of a receiver for the Lloydwood facility.

3. On July 29, 2005, DHEC filed a second circuit court action (Richland Circuit Court action) in which it sought the appointment of a receiver for the Franklin and Albene Park systems owned by Piney Grove. On that same day, by way of a consent order, Piney Grove agreed to a receiver being appointed for these systems, Richland County having previously agreed to act as receiver.
4. Piney Grove is informed and believes that negotiations are on-going in regard to both the City of Cayce taking over the Lloydwood system and Richland County permanently taking over the Franklin and Albene Park systems. In addition, ORS has

filed a separate petition in which it seeks, in part, forfeiture of the same bond in issue in this matter in regard to another sewer system located in York County.

4. Given the ongoing negotiations with the City of Cayce and Richland County, as well as the pending petition by ORS in regard to the same sewer bond, Piney Grove would respectfully submit that the remaining matter in this case, i.e., the bond, is not ripe for adjudication and that, therefore, this matter, or rather what remains of this matter, should be continued.

Based upon the foregoing, Piney Grove would respectfully request that the hearing scheduled for August 9, 2005, be continued.

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August 2, 2005

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